

Properly documenting farming related retail sales tax exemptions

To claim this exemption...	Use this document...	For purchases of...	Remember...	For more information, refer to...
Wholesale purchases	Reseller Permit (Issued by DOR) OR Farmers' Certificate for Wholesale Purchases and Sales Tax Exemptions	<ul style="list-style-type: none"> Chemical sprays or washes Feed Seed, seedlings Fertilizer Spray materials (pesticides) Agents for enhanced pollination (example – leafcutter bees) Tangible personal property for resale without intervening use 	You must apply to the Department for a reseller permit.	RCW 82.04.050(11) RCW 82.04.060 WAC 458-20-10201 WAC 458-20-210
Replacement Parts for qualifying Farm Machinery and Equipment	Exemption Certificate for Replacement Parts and/or Services for Farm Machinery and Equipment (Issued by DOR)	<ul style="list-style-type: none"> Replacement parts for farm machinery and equipment Labor and services to install replacement part Labor and services to repair farm machinery and equipment 	You must apply to the Department for this exemption document.	Special Notice – Repair Parts and/or Services for Farm Machinery and Equipment – Sales and Use Tax Exemptions RCW 82.08.855 Application for Exemption Certificate for replacement parts for farm machinery and equipment
Livestock Nutrient Management Equipment and Facilities This exemption is unavailable July 1, 2010, through June 30, 2013	Retail Sales Tax Exemption Certificate for Livestock Nutrient Management Equipment and Facilities (Issued by the DOR)	<ul style="list-style-type: none"> Qualifying livestock nutrient management equipment Repair and replacement parts for qualifying livestock nutrient management equipment Labor and services for installing, repairing, cleaning, altering, or improving livestock nutrient management equipment Labor and services for repairing, cleaning, altering, or improving qualifying livestock nutrient management facilities Tangible personal property that becomes an ingredient or component of qualifying livestock nutrient management facilities during the repairing, cleaning, altering or improving of these facilities 	If you have a livestock nutrient management plan, you must apply to the Department for this exemption document.	RCW 82.08.890 Special Notice – Livestock Nutrient Management Equipment Sales Tax Exemption Suspended Special Notice – Livestock Nutrient Management – Changes to Tax Exemptions
Nonresident Farmers	Farmers' Certificate for Wholesale Purchases and Sales Tax Exemptions	<ul style="list-style-type: none"> Farm machinery, implements Parts for farm machinery and implements Labor and services for repairing farm machinery and implements 	The buyer must immediately transport the equipment outside the state. The seller must examine and record buyer's proof of out of state residency	RCW 82.08.0268 WAC 458-20-239
Reducing Agricultural Burning	Farmers' Certificate for Wholesale Purchases and Sales Tax Exemptions	<ul style="list-style-type: none"> Certain machinery and equipment Labor and services for constructing hay sheds Tangible personal property that becomes an ingredient or component of a hay shed during construction 	This exemption ends after December 31, 2010 More than 50% of the farmer's tillable acres must be in cereal grains and/ or field grass and turf grass grown for seed in a qualified county.	RCW 82.08.841 Special Notice – Tax Incentives to Reduce Agricultural Burning to Change
Agricultural Employee Housing	Farmers' Certificate for Wholesale Purchases and Sales Tax Exemptions	<ul style="list-style-type: none"> Constructing, repairing, decorating or improving new or existing buildings used for agricultural employee housing Tangible personal property that becomes an ingredient or component of a building or structure used as agricultural employee housing during the course of construction, repairing, decorating or improving 	You must indicate on the certificate if the agricultural employee housing is being built on agricultural land and, if so, provide the parcel number. This exemption does not apply to housing constructed for farmers, farm family members, or persons owning stock or shares in the farm.	RCW 82.08.02745 WAC 458-20-262 Special Notice – Sales and Use Tax Exemption for Farm Worker Housing Special Notice – Farm Worker Drinking Water

Chicken Farming	Farmers' Certificate for Wholesale Purchases and Sales Tax Exemptions	<ul style="list-style-type: none"> Propane or natural gas used to heat chicken structures; Bedding Materials used to accumulate and facilitate the removal of chicken manure 		RCW 82.08.910 RCW 82.08.920 WAC 458-20-210
Animal Pharmaceuticals	Farmers' Certificate for Wholesale Purchases and Sales Tax Exemptions	<ul style="list-style-type: none"> Animal pharmaceuticals approved by the FDA or USDA 	The pharmaceuticals must be administered to an animal raised to produce an agricultural product for sale.	RCW 82.08.880 WAC 458-20-210
Livestock for Breeding Purposes/ Cattle and dairy cows used to produce an agricultural product	Farmers' Certificate for Wholesale Purchases and Sales Tax Exemptions	<ul style="list-style-type: none"> Livestock registered in a nationally recognized breed association purchased for breeding purpose; Beef and dairy cattle used by a farmer to produce agricultural products 		RCW 82.08.0259 WAC 458-20-210 RCW 16.36.005
Diesel, biodiesel or aircraft fuel used by a farmer or horticultural service provider for farmers	Farmers' Certificate for Wholesale Purchases and Sales Tax Exemptions	<ul style="list-style-type: none"> Diesel Biodiesel Aviation fuel 	The exemption does not apply to fuel used to heat space for human habitation, water for human consumption, or transportation on public road.	RCW 82.08.865 Special Notice – Farm Fuel Users – Sales and Use Tax Exemption Update

If you use the [Streamlined Sales and Use Tax Agreement Certificate of Exemption](#):

- To document a farm-related exemption, you must complete the form and identify the reason for the exemption claimed.
- If you are claiming the *Farm Machinery and Equipment Replacement Parts Exemption* or the *Livestock Nutrient Management Equipment and Facilities Exemption* you must enter the number from the certificate issued to you by the Department on line H of Section 5. The number is located on the certificate issued by the Department.
- To claim a resale exemption for wholesale purchases, you must provide your reseller permit number (if buyer is required to be registered with the Department of Revenue).

Notice to Sellers: The exemptions on this matrix are for sales tax only; business and occupation (B&O) tax still applies.

For more information about exemptions for the agricultural industry, go to <http://dor.wa.gov/farmers>.

The information contained in this document is current as of November 1, 2010 and provides general information about the application of agricultural exemptions. It does not cover every requirement or limitation associated with the exemptions identified, nor does it alter or supersede any administrative regulations or rulings issued by the Department. If you have questions, please contact the Department at (800) 647-7706.